

## **EXHIBIT B**

**Fox, Edward M.**

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**From:** Fox, Edward M.  
**Sent:** Wednesday, February 20, 2019 12:28 PM  
**To:** Paul Leake (paul.leake@skadden.com); Howard, George R  
**Subject:** Sears -- Budget  
**Attachments:** pdf.pdf

Paul and George,

Did the DIP ABL Lenders agree with Sears to an amended or supplemental budget beyond the budget (attached) which was attached as an exhibit to the DIP ABL Order?

Ed

In re Sears Holdings Corp.  
Week Cash Flow Forecast - Revised 13 Week DIP Model  
(\$ in Millions)

FISCAL MONTH Forecast / Actual Week Ending Fiscal Week	FY18 P10				FY18 P11				FY18 P12				FY19 P1				Total 13 Weeks Through 2/16/19
	Forecast 11/24/18 Week 42	Forecast 12/1/18 Week 43	Forecast 12/8/18 Week 44	Forecast 12/15/18 Week 45	Forecast 12/22/18 Week 46	Forecast 12/29/18 Week 47	Forecast 1/5/19 Week 48	Forecast 1/12/19 Week 49	Forecast 1/19/19 Week 50	Forecast 1/26/19 Week 51	Forecast 2/2/19 Week 52	Forecast 2/9/19 Week 01	Forecast 2/16/19 Week 02				
	Week 6	Week 7	Week 8	Week 9	Week 10	Week 11	Week 12	Week 13	Week 14	Week 15	Week 16	Week 17	Week 18				
Post-Petition Week																	
Forecast Week																	
Total																	
OPERATING CASH FLOW																	
Total Operating Receipts	\$180	\$286	\$184	\$200	\$193	\$215	\$259	\$171	\$135	\$121	\$118	\$106	\$105	\$2,273			
Operating Disbursements	(119)	(91)	(85)	(95)	(85)	(51)	(53)	(62)	(58)	(56)	(57)	(61)	(62)	(935)			
Merchandise Vendors	(30)	(68)	(38)	(60)	(32)	(58)	(31)	(40)	(27)	(25)	(41)	(29)	(36)	(514)			
Payroll, Taxes, and Benefits	(1)	(1)	(27)	(10)	(1)	(1)	(1)	(30)	(1)	(1)	(1)	(18)	(16)	(111)			
Occupancy <sup>1</sup>	(65)	(83)	(87)	(64)	(76)	(76)	(72)	(74)	(60)	(71)	(55)	(60)	(50)	(893)			
Other Operating Disbursements	(215)	(243)	(237)	(228)	(194)	(185)	(157)	(206)	(146)	(153)	(155)	(168)	(164)	(2,453)			
Total Operating Disbursements																	
Total Operating Cash Flow	(\$35)	\$42	(\$53)	(\$29)	(\$1)	\$29	\$102	(\$34)	(\$11)	(\$32)	(\$36)	(\$62)	(\$59)	(\$180)			
NON-OPERATING CASH FLOWS																	
Non-Operating Disbursements																	
Capex	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(13)			
Interest and Financing Fees <sup>2</sup>	(4)	(8)	(7)	(7)	(7)	(4)	(5)	(9)	(5)	(5)	(5)	(5)	(5)	(76)			
Total Non-Operating Disbursements	(5)	(9)	(8)	(8)	(8)	(5)	(6)	(10)	(6)	(6)	(5)	(6)	(6)	(89)			
Total Business Cash Flow	(\$40)	\$33	(\$61)	(\$37)	(\$9)	\$24	\$96	(\$44)	(\$17)	(\$38)	(\$42)	(\$68)	(\$65)	(\$269)			
Total Other Non-Operating Disbursements	(22)	(21)	(31)	(13)	(16)	(13)	(19)	(5)	(7)	(0)	(19)	0	0	(166)			
Net Cash Flow Before Financing	(\$62)	\$12	(\$92)	(\$50)	(\$25)	\$11	\$78	(\$49)	(\$24)	(\$38)	(\$52)	(\$68)	(\$65)	(\$434)			
LIQUIDITY																	
Beginning Cash Balance	\$224	\$161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$224			
Net Cash Flows Before Financing	(62)	12	(92)	(50)	(25)	11	78	(49)	(24)	(38)	(52)	(68)	(65)	(434)			
Financing Cash Flow	0	(173)	92	50	25	(11)	(78)	49	24	38	62	68	65	211			
Ending Cash Balance	\$161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Total Outstanding 1L - Beginning <sup>3</sup>	1,543	1,543	1,295	1,311	1,261	1,187	1,176	1,098	1,147	1,144	1,128	1,151	1,166	\$1,543			
Financing Cash Flow	0	(173)	92	50	25	(11)	(78)	49	24	38	62	68	65	211			
Jr. DIP (Draws)	0	(75)	0	(100)	(100)	0	0	0	0	0	0	0	0	(350)			
Buyer Financing (Draws) <sup>4</sup>	0	0	0	0	0	0	0	0	(27)	(54)	(39)	(52)	(67)	(239)			
Total Outstanding 1L - Ending <sup>4</sup>	\$1,543	\$1,295	\$1,311	\$1,261	\$1,187	\$1,176	\$1,098	\$1,147	\$1,144	\$1,128	\$1,151	\$1,166	\$1,165	\$1,165			
Junior DIP Balance	\$0	\$75	\$150	\$250	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350	\$350			
Buyer Financing Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27	\$81	\$172	\$172	\$239	\$239			
Total Outstanding 1L - Ending <sup>4</sup>	\$1,543	\$1,295	\$1,311	\$1,261	\$1,187	\$1,176	\$1,098	\$1,147	\$1,144	\$1,128	\$1,151	\$1,166	\$1,165	\$1,165			
Line Cap <sup>5</sup>	\$1,577	\$1,471	\$1,429	\$1,384	\$1,350	\$1,328	\$1,277	\$1,157	\$1,144	\$1,128	\$1,151	\$1,166	\$1,165	\$1,165			
Ending Cash Balance	\$161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
Net Availability	34	176	118	123	163	152	180	10	0	0	0	0	0	0			
Total Liquidity (Cash plus Availability)	\$195	\$176	\$118	\$123	\$163	\$152	\$180	\$10	\$0	\$0	\$0	\$0	\$0	\$0			

Footnotes  
1. Excludes rent on rejected leases  
2. Includes Interest on 1L and Cascade Loans and Financing Fees on Senior and Junior DIP facilities  
3. Includes Sr. DIP Term Loan, Sr. DIP Revolver, Term Loan, Revolving Credit Facility, and Normal Course LC. All pre-petition 1L balances will be repaid with available cash immediately following the final order on 11/27.  
4. Assumed loan that bridges the Company's net availability needs through the close of going concern sale  
5. Adjusted Borrowing Base calculated using Revised Formula

**Fox, Edward M.**

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**From:** Howard, George R <George.Howard@skadden.com>  
**Sent:** Thursday, February 21, 2019 11:45 AM  
**To:** Fox, Edward M.; Leake, Paul  
**Subject:** RE: [Ext] Sears -- Budget

[EXT. Sender]

Ed – We did not agree to a 13-week budget beyond the original attached to the final DIP order.

George R. Howard  
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**From:** Fox, Edward M. [mailto:emfox@seyfarth.com]  
**Sent:** Wednesday, February 20, 2019 12:28 PM  
**To:** Leake, Paul (NYC); Howard, George R (NYC)  
**Subject:** [Ext] Sears -- Budget

Paul and George,

Did the DIP ABL Lenders agree with Sears to an amended or supplemental budget beyond the budget (attached) which was attached as an exhibit to the DIP ABL Order?

Ed

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